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NHTSA-01-8677-551

January/4, 2003

[SMALL MFG'R]

DEPT. OF TRANSPORTATION  
DOCKETS

Re: NHTSA Early Warning Reporting Regs

2003 MAY 14 P 12:07

## DOCKET MANAGEMENT

I am a small businessman [woman] in your District [State], employing 23 workers. My company manufactures small-to-medium size trailers, under 26,000 lbs. gross vehicle weight. DOT's National Highway Traffic Safety Administration has issued a final reporting regulation that, unless rescinded or substantially modified, stands to put me and many of my colleagues in the trailer industry out of business. I respectfully request your prompt assistance.

NHTSA's new rule requires all "large manufacturers" of motor vehicles (a "trailer" is included as a "motor vehicle"), starting April 1, 2003, to compile and submit quarterly informational reports, called "Early Warning Reports" or "EWRs," containing complex, detailed data about vehicle accidents, warranty claims, customer complaints, etc. Because we manufacture more than 500 trailers a year -- NHTSA's arbitrary definition of "large" -- NHTSA has lumped us together for mandatory reporting purposes with the Firestones, Fords, GMs, and Freuhaufs of this world, logical targets of the TREAD Act.

By NHTSA's own cost estimates, my company will be forced to spend \$225,000 within the next few months in order to gear up to comply with the new EWR requirements and then, according to industry estimates, another \$145,000 this year and annually thereafter to continue compliance. We don't have that kind of money and object to furnishing NHTSA burdensome, expensive reports that are meaningless! My company's EWR reports -- our industry's EWR reports -- cannot provide NHTSA any useful information about potential safety-related defects in our trailers, the sole purpose of the EWRs. Our category of trailer -- under 26,000 lbs. GVWR -- is only very rarely involved in a serious accident (personal injury or death) and even more rarely in one allegedly attributable to a safety defect in the trailer.

NHTSA has been sitting on our trade association's well documented but narrowly crafted request for relief from the burdens of EWR compliance. The National Association of Trailer Manufacturers petitioned NHTSA many months ago to revise its definition of "large manufacturer" and adopt one that shifts the manufacturer of small-to-medium size trailers to the "small manufacturer" reporting category. Our Association has also submitted detailed comments to OMB pointing out the disastrous financial impact of complying with NHTSA's EWR upon small businesses such as ourselves and upon the manufacturer of small-to-medium size trailers in general. Our industry's first-year compliance costs are projected to exceed \$688,000,000; however, NHTSA has "guessed" this cost will amount to only \$1,900,000 based upon patently false assumptions. It also has chosen not to consider that 96 percent of our industry is made up of "small businesses" under the SBA size standard.

NHTSA's EWR rulemaking proceeding remains pending before NHTSA, and OMB has yet to act upon our industry's Paperwork Reduction Act comments challenging NHTSA's impact assessment. A more detailed but brief summary of these proceedings is attached. While the outcome may be in doubt, I know the expenditure of nearly \$400,000 in the first year, 2003, is beyond our company's means and is a total waste of corporate resources even if we could raise that kind of capital. NHTSA has made no effort to understand our industry and declines to meet with us. We fear the worst as the compliance date looms large.

As a last resort, I call upon your office to look into this government heavy-handedness before the die is cast. Anything you are able to do to assist will be greatly appreciated. OMB appears open-minded on the issue and may be the logical starting point to generate a focused, objective review. OMB's docket number for this proceeding is "Control No. 2127-0616."

Sincerely,

Roseburg Trailer Works  
by [Signature]

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